

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
Lifeline and Link Up Reform and Modernization)	WC Docket No. 11-42
)	
Lifeline and Link Up)	WC Docket No. 03-109
)	
Federal-State Joint Board on Universal Service)	CC Docket No. 96-45
)	
Advancing Broadband Availability Through Digital Literacy Training)	WC Docket No. 12-23
)	

**IDAHO PUBLIC UTILITIES COMMISSION COMMENTS
IN SUPPORT OF USTELECOM PETITION FOR WAIVER
AND PETITION FOR EXTENSION OF WAIVER**

The Idaho Public Utility Commission (“PUC”) submits comments in support of the United States Telecom Association’s (“USTelecom”) Petition for Waiver filed on May 6, 2013,¹ in the above dockets. If the Federal Communications Commission (“FCC” or “Commission”) grants the USTelecom Petition, the PUC respectfully requests that the waiver extension include Idaho.

As stated in the comments filed by the Public Utility Commission of Oregon on May 15, 2013, the PUC Staff anticipated that the FCC would issue an order addressing USTelecom’s Petition for Reconsideration and Clarification to modify the rules at issue before the current June 1, 2013, waiver expiration date. As this did not occur, an extension of the waiver until

¹ Petition for Waiver of the United States Telecom Association, *Lifeline and Link Up Reform and Modernization*, May 6, 2013.

December 1, 2013 will give the FCC additional time to consider requests by USTelecom to modify the rules in question or grant permanent waivers.

BACKGROUND

On December 21, 2012, the FCC released a Waiver Order² addressing petitions from several state commissions as well as a petition of the USTelecom seeking permanent or temporary waiver of various rules adopted in the *Lifeline Reform Order*.³ USTelecom's Petition for Waiver ("*USTelecom Petition*") sought a temporary waiver on behalf of Eligible Telecommunications Carriers ("ETC") in select states, including Idaho, of the requirement to obtain from the state Lifeline administrator a signed certification form from a subscriber prior to seeking Lifeline fund reimbursement for that subscriber.⁴ The Waiver Order granted a limited waiver from 47 § CFR 54.407(d), 54.410(b)(2)(ii), 54.410(c)(2)(ii) and 54.410(e) similar to that previously granted by the Commission to allow more time for those states to implement a process to share consumer eligibility certifications with ETCs.⁵ These states have Lifeline administrator or other state agencies that manage subscriber eligibility. The Commission granted the waivers until the sooner of June 1, 2013 or until the states' processes were in compliance with the *Lifeline Reform Order*.⁶

CURRENT STATUS IN IDAHO

At issue in Idaho is the ability to provide ETCs with a copy of the subscriber's Lifeline certification form. The funding constraints that prevented Idaho from complying with this rule have not been resolved or eliminated. In the Waiver Order, the FCC denied USTelecom's

² See Waiver Order, *Lifeline and Link Up Reform and Modernization* ("Lifeline Reform Order"), DA 12-12-2062 (rel. Dec. 12, 2012).

³ *Lifeline and Link Up Reform and Modernization et al.*, Report and Order and Further Notice of Rulemaking, WC Dkt. Nos. 11-42 et al., CC Dkt. No 96-45, FCC 12-11 (rel. Feb. 6, 2012)

⁴ See *USTelecom Petition* at 2.

⁵ See Waiver Order at ¶ 7.

⁶ *Id.* at ¶ 6.

request that the waiver remain in effect indefinitely. The FCC stated that “such an open-ended extension would provide no incentive for states to change their processes expeditiously and could indefinitely postpone the benefits of the reforms adopted by the Commission.”⁷ The situation in Idaho is not one of incentive, but rather, lack of funds needed to make the necessary changes for compliance. In addition, the benefits of the reforms have not been postponed in Idaho.

During the past year, Idaho made incremental changes to comply with the *Lifeline Reform Order*. The PUC Staff, the Idaho Department of Health and Welfare (“DHW”) staff and the low-income program administrator, CAPAI, have worked together to meet most of the new requirements. These cooperative actions include: 1) ITSAP/Lifeline⁸ database reconciliation with all ETCs; 2) June, 2012 recertification of Lifeline subscribers; 3) Restructuring of the eligibility and certification process to include the subscriber’s signed acknowledgements; 4) DHW’s Rulemaking process to conform with the Commission’s definitions of household, poverty levels, etc.; and 5) Restructuring of weekly ETC email lists of new subscribers. With these modifications, the benefits of the reforms are now in place. The lone outstanding item for full compliance in Idaho—the requirement that the Lifeline administrator provide a copy of each individual subscriber’s certification form to the ETC—presents insurmountable challenges. These are discussed in more detail below.

DISCUSSION

As explained in the ex-parte letter to the FCC dated November 28, 2012, Idaho has limited resources and a fixed budget dedicated to the administration of the Lifeline program. *See* Request for Extension of Waiver Order, DA 12-863, Released on May 31, 2012, Exhibit A.

⁷ Waiver Order, DA 12-863 at ¶ 4.

⁸ The Idaho Telephone Service Assistance Program (“ITSAP”) and the federal Lifeline program are treated as a single benefit and commonly referred to as “ITSAP” in Idaho.

In Idaho, the DHW is responsible for managing the programs that support low-income needs, including the state and federal telephone assistance (ITSAP/Lifeline). The eligibility and certification of the ITSAP/Lifeline enrollment of non-Tribal subscribers is administered through a contract with the Community Action Partnership Association of Idaho (“CAPAI”) in coordination with the regional Community Action Partners (“CAP”).⁹ CAPAI and the CAPs are responsible for obtaining the required certifications, but the obligation to transmit a copy of the Lifeline subscriber certification form to the ETCs poses a technical problem that can only be addressed by manually transmitting the form from the regional CAP office to the CAPAI office, and from the CAPAI office to the ETCs. *See* ITSAP Process, Exhibit B.

The certification forms are in various formats within the regional offices and are contained on computers, in paper forms, and electronic databases. Currently, only essential subscriber information is sent from the CAPs to CAPAI. CAPAI then consolidates and electronically forwards the subscriber list to the appropriate ETC for implementation of the ITSAP/Lifeline benefit. The signed subscriber certification form is retained in the various CAP offices. CAPAI enrolls and recertifies approximately 16,000 Lifeline subscribers annually. With the current system, the obligation to manually provide copies of the certification form to the ETCs is burdensome and not necessary to provide additional safeguards. If the waiver is granted, however, CAPAI is committed to collect copies of the subscriber certification forms and provide them upon request for audit purposes.

⁹ CAPAI was established in 1969 as a private, non-profit association dedicated to fighting the causes and conditions of poverty in Idaho. CAPAI is a membership organization with eight members that consist of six community action partnership organization: Community Action Partnership (CAP), Western Idaho Community Action Partnership (WICAP), El-Ada Community Action Partnership (El-Ada), South Central Community Action Partnership (SCCAP), SouthEastern Idaho Community Action Agency (SEICAA), Eastern Idaho Community Action Partnership (EICAP), and two special purpose agencies, the Community Council of Idaho (CCOI—formerly Idaho Migrant Council) and CCOA-Aging, Weatherization and Human Services (CCOA).

The current enrollment process has sufficient verifications in place to protect against waste, fraud and abuse of the lifeline program and the PUC believes it is sufficient to meet the objectives of the *Lifeline Reform Order*. For example, DHW, CAPAI and the CAPs: 1) review the eligibility of each subscriber through verification of enrollment in the federal programs, or visually reviews income verification documents, and 2) the subscriber must have existing wireline or wireless service along with an assigned telephone number before the subscriber is allowed to enroll in the ITSAP/Lifeline program.

Idaho lacks funds to establish either an automated process to facilitate the transfer of certification documents to the ETCs or for the additional staff that would be necessary to manually process the forms. *See* Cost Estimates, Exhibit C. The manual process also poses privacy concerns for Idaho. The PUC believes that each additional step that is introduced to the manual process presents an opportunity for a breach of privacy. DHW has an obligation to safeguard sensitive financial as well as identity information. Finally, funding to change the process will require Legislative approval and all parties are concerned about the uncertain outcome of this action.

These concerns are familiar to the Wireline Bureau. On March 8, 2013, the PUC Staff participated in a conference call with staff of the FCC Wireline Competition bureau and explained the difficulties that the FCC rules impose on Idaho. Staff reiterated its support of the USTelecom's Petition for Reconsideration to amend its rules to eliminate the requirement that the state Lifeline administrators provide a copy of the Lifeline subscriber's certification form to the ETC.

If the FCC does not grant the requested waiver extension, the PUC Staff believes that DHW may be compelled to limit its enrollment activity to the ITSAP program only and

transition the federal Lifeline program activities to ETCs for administration. The result will be a burdensome and protracted process for the applicants that is not only redundant, but not in the public interest.

In sum, the PUC believes that no additional benefits to the Lifeline program, ETCs, or the Lifeline administration process can be derived from changing the current ITSAP/Lifeline process.


CONCLUSION

A grant of the *Waiver Petition* is in the public interest. As such, the PUC requests that the FCC grant an extension of the waiver of sections 47 § CFR 54.407(d), 54.410(b)(2)(ii), 54.410(c)(2)(ii) and 54.410(e) of its rules until December 1, 2013, and for the foregoing reasons, the IPUC also respectfully asks the Commission to reconsider a rule change or a permanent waiver of the requirement to provide copies of the certification forms to the ETCs. The PUC appreciates the Commission's consideration of these comments.

Dated: May 30, 2013

Respectfully submitted,

IDAHO PUBLIC UTILITIES COMMISSION

A handwritten signature in black ink, appearing to read "Paul Kjellander", is written over a horizontal line.

Paul Kjellander, President

Exhibit A



Paul Kjellander
Commissioner

Idaho Public Utilities Commission
P.O. Box 83720
Boise, Idaho 83720-0074

C.L. "Butch" Otter
Governor

November 28, 2012

Marlene Dortch, Office
Office of the Secretary
Federal Communications Commission
455 12th Street, SW, Rm. 5-B448
Washington, DC 20554

RE: Request for Extension of *Waiver Order*, DA 12-863, Released on May 31, 2012

Dear Ms. Dortch:

The Idaho Public Utilities Commission ("IPUC") submits this letter requesting an extension of *Waiver Order*, DA 12-863, released on May 31, 2012. Specifically, the IPUC requests an additional six month waiver of the requirements of sections 54.407(d) and 54.410(e) rules.

In response to a Petition filed by *USTelecom* on April 25, 2012, the Federal Communications Commission ("FCC") issued *Waiver Order*, DA 12-863 granting to several states, including Idaho, a waiver of "sections 54.407(d), 54.410(b)(2)(ii) and 54.410(c)(2)(ii) of its rules that require those states where a state entity is responsible for the initial determination of subscribers' eligibility to obtain certification forms from the state for each Lifeline subscriber before the ETC seeks reimbursement from the Fund."¹ In Idaho, the State Department of Health and Welfare is responsible to make the initial determination of subscribers' eligibility. On its own motion, the FCC extended the waiver to the corresponding section 54.410(e) requirement applicable to specific state Lifeline administrators, including Idaho, for the same extension period.² The FCC granted the above waivers "until the sooner of December 1, 2012 or until the states' processes have been modified to allow for compliance with the rules."³

In the *Waiver Order*, the FCC denied USTelecom's request that the waiver remain in effect indefinitely until the states are able to bring their procedures into compliance with the rules. The FCC stated that "such an open-ended extension would provide no incentive

¹ *Waiver Order* at para. 3.

² *Id.*

³ *Id.* at para. 4

for states to change their processes expeditiously and could indefinitely postpone the benefits of the reforms adopted by the Commission.⁴ To the extent that a state obtaining a waiver as set forth in this section requires additional time to come into compliance, the state or ETCs operating within that state may file an additional request for relief.”⁵

Upon release of the Lifeline Reform Order, the state agencies began in good faith to modify their Lifeline procedure to comply with the FCC requirements. Unfortunately, despite their best intentions, it became evident that the requirement outlined in section 54.410(e) could not be met and that it was impractical to attempt to do so. Idaho has limited personnel and a fixed budget dedicated to the administration of the Lifeline program.⁶ Using available resources and keeping within the established budget, the Idaho Lifeline eligibility process has been modified to comply with the most important eligibility and certification requirements of the *Lifeline Reform Order*.⁷ See the ITSAP/Lifeline Certification Form.

As previously mentioned, the problem posed by the section 54.410(e) requirement for Idaho concerns a fixed budget and scarce resources. Currently, Lifeline subscribers can enroll in several regional offices throughout Idaho. The certification forms are in various formats within these offices and are contained on computers, in paper forms, and within electronic databases. Only essential subscriber information is sent to a centralized location, where the eligible subscriber list is consolidated and electronically forwarded to the appropriate ETC for implementation. See attached copy of the electronic transmittal. The subscriber certification form is retained in the different regional offices. Sending a copy of every subscriber’s certification form to the ETCs would require a time-consuming manual process and delay benefits to the subscribers. Because no additional funding is available, there is no immediate plan to automate this process. If an ETC is audited, however, the state’s third-party administrator is prepared to provide copies of the subscribers’ certification forms.

Additional safeguards are in place to prevent duplicate benefits and fraudulent claims. In addition to proof of income or proof of federal qualifying benefits, the non-tribal eligible subscriber⁸ in Idaho must have existing telephone service and provide a telephone number to be enrolled in the state and federal Lifeline programs. The current process appears to meet the FCC’s objectives in the interim and would also continue to meet the same objectives after the December waiver deadline. Idaho’s administration of the Lifeline program is done in partnership with the FCC to provide Lifeline services to eligible subscribers in the most efficient manner while protecting against waste, fraud and

⁴ *Id.*

⁵ *Id.*

⁶ The State of Idaho uses a third-party administrator to enroll and re-certify state and federal Lifeline subscribers.

⁷ The compliance activities included a June 1, 2012 database reconciliation process with all Idaho ETCs.

⁸ The state’s third-party administrator performs enrollment verification for non-Tribal subscribers who receive both state and federal Lifeline benefits. The State administrator does not enroll subscribers for Limited ETCs (Lifeline only ETCs) or for subscribers living on Tribal lands— these subscribers enroll directly with the ETCs.

abuse. The IPUC does not believe an extension of the section 54.410(e) waiver will in any way negatively impact the program.

If the extension of the waiver is not granted or modified, the Lifeline program will be diminished in Idaho. The 16,000+ Lifeline subscribers will see a significant delay in the enrollment and re-certification process. For this reason, the IPUC believes that granting an extension of the waiver will not only conform to the spirit of the FCC's Lifeline Reform Order, but it is also in the public interest.

For the foregoing reasons, the IPUC respectfully requests that the Federal Communications Commission grant Idaho a six month extension of the USTelecom's Waiver Order.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul Kjellander", with a long, sweeping horizontal stroke extending to the right.

Paul Kjellander
President

cc: Julie Veach, Chief, Wireline Competition Bureau
Kimberly Scardino, Deputy Division Chief, TAPD
Genie Sue Weppner, Program Manager, Dept. of Health and Welfare

Attachments:
List of current ETCs
Certification Form
Weekly email list

ATTACHMENT A

IDAHO Eligible Telecommunications Carrier

ALBION TEL. CO. d/b/a ATC COMMUNICATIONS
ALLIED WIRELESS COMMUNICATIONS dba Allied Wireless
BLACKFOOT TELEPHONE COOPERATIVE
CAMBRIDGE TEL. CO., INC.-ID
CENTURY TELEPHONE CO. OF IDAHO, INC.
CENTURYTEL OF THE GEM STATE-ID
CITIZENS TEL. CO. d/b/a FRONTIER COM. OF ID.
CITIZENS TEL. CO. d/b/a FRONTIER COM. OF ID.
COLUMBINE TELEPHONE CO. d/b/a TETON TELECOM & SILVER STAR
COMMUNICATIONS
Cricket Communications, Inc
CTC TELECOM, INC. dba SNAKE RIVER PCS
CUSTER TEL. COOPERATIVE INC.
DIRECT COMMUNICATIONS ROCKLAND, INC.
EDGE WIRELESS (AT&T Mobility II LLC)
FARMERS MUTUAL TEL. CO. LTD-ID
FILER MUTUAL TELEPHONE COMPANY-ID
FREMONT TELCOM CO. d/b/a FairPoint Communications
GOLD STAR Communications
INLAND CELLULAR
INLAND TELEPHONE COMPANY-ID
MIDVALE TEL. EXCH. INC
MUD LAKE TELEPHONE COOPERATIVE ASSN. INC.
OREGON-IDAHO UTILITIES, INC.
PINE TELEPHONE SYSTEM, INC
POTLATCH & TROY TELEPHONE CO. d/b/a TDS TELECOM
PROJECT MUTUAL TEL. COOP. ASSN.
QWEST CORPORATION-NID
QWEST CORPORATION-SID
RURAL TELEPHONE COMPANY-ID
SYRINGA WIRELESS

Virgin Mobile USA LP
T-MOBILE WEST LLC
TracFone Wireless, Inc.

ATTACHMENT B

IDAHO TELEPHONE SERVICE ASSISTANCE PROGRAM (ITSAP) AND THE FEDERAL LIFELINE PROGRAM (LIFELINE) CERTIFICATION FORM

Part 1: Subscriber Information

Date: _____ Applicant's Name: _____
First MI Last

Date of Birth (mm/dd/yyyy): _____ SSN (last 4 digits only): _____

Permanent Physical Address (No PO Box): _____
Street City State Zip

Billing or mailing Address, if different than above: _____

Telephone Service Provider: _____ Telephone No.: _____

Part 2: Benefits Information

☐ Household at or below 135% of Federal Poverty Level* No. of people in household: _____

I receive benefits from the following program(s): (*Check all programs and provide proof*)

- | | |
|---|--|
| <input type="checkbox"/> Food Stamp Program (SNAP) | <input type="checkbox"/> Low-Income Home Energy Assistance Program (IHEAP) |
| <input type="checkbox"/> Medicaid | <input type="checkbox"/> Supplemental Security Income (SSI) |
| <input type="checkbox"/> Federal Housing Assistance (Section 8) | <input type="checkbox"/> Temporary Assistance for Needy Families |
| <input type="checkbox"/> National School Free Lunch Program | |

☐ I do not receive benefits from the program(s) listed above. The full name of my dependent or member of my household who does receive benefits from the program(s) listed above is:

First MI Last

***Proof of income:** Prior year's state or federal tax return; 3 consecutive months of most recent income statements from paycheck stubs; Social Security statement of benefits; Veterans Administration statement of benefits; retirement/pension statement of benefits; Unemployment or Workers' Compensation statement; divorce decree; child support document; or other official document containing income information.

Part 3: Eligibility Certification and Information Release

- ☐ I understand Lifeline is a federal benefit and that willfully making false statements to obtain the benefit can result in fines, imprisonment, de-enrollment or being barred from the program;
- ☐ only one Lifeline service is available per household;
- ☐ a household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses;
- ☐ violation of the one-per-household limitation constitutes a violation of the program rules and will result in the subscriber's de-enrollment from the program; and
- ☐ Lifeline is a non-transferable benefit and the subscriber may not transfer the benefit to another person.

By signing this form, I certify under penalty of perjury that I understand and agree to all of the following:

- ☐ I meet the income-based or program-based criterion as set forth above and have provided the appropriate documentation;
- ☐ I will notify my service subscriber within 30 days if for any reason I no longer satisfy the criteria for receiving Lifeline support, or I am receiving more than one ITSAP/Lifeline benefit, or another member of my household is receiving a ITSAP/Lifeline benefit;
- ☐ If I move to a different address, I will provide that new address to my service provider within 30 days;
- ☐ If I provided a temporary address, I will verify with my service provider the temporary residential address every 90 days;
- ☐ To the best of my knowledge, no one in my household is receiving a Lifeline service;
- ☐ The information contained in my ITSAP/Lifeline application form is true and correct to the best of my knowledge;
- ☐ I acknowledge that providing false or fraudulent information to receive ITSAP/Lifeline benefits is punishable by law; and
- ☐ I acknowledge that I may be required to re-certify my continued eligibility for ITSAP/Lifeline benefits at any time, and my failure to recertify my continued eligibility will result in de-enrollment and the termination of my benefits.

_____ Under penalty of perjury, I certify that the information contained in the application and on this form is true and correct; the household at the address listed on this form, only receives ITSAP and Lifeline benefits from a single service provider.

_____ I hereby authorize CAPAI and my service provider to release any information contained in this Application that may be required for the administration of the Lifeline program to the FCC or its designee, including the Universal Service Administrative Company, and to any state and federal agency, as required by law.

_____ I understand that if I do not consent to the release of my information I will not receive the Lifeline benefits.

Applicant's Signature

Date

Confirmation by: E-signature _____ Voice _____ Email _____ Text _____

Income and Benefits Program Information Verified by: _____

ITSAP/Lifeline Re-certification Date _____

ATTACHMENT C

...1234	1/1/19XX	Doe	John	111 MAIN ST	BOISE	ID83702	2085551111	11112012	Y
...5678	2/2/19XX	Smith	Jane	555 ELM AVE	BOISE	ID83803	2085552222	11112012	N

Legend (Left to right): SSN |DOB |Last Name |First Name |Address |City |State/zip code |Telephone No. |Effective date: mo/day/year
|Qualification (Y=income; N=federal program)

Note: This is an example of the weekly emails sent to ETCs containing new Idaho Telephone Service Assistance Program (ITSAP) and Lifeline subscribers. A new Lifeline subscriber must have an existing wireline or wireless service with an associated telephone number prior to enrollment in the ITSAP/Lifeline program.

Exhibit B

ITSAP PROCESS

Idaho Telephone Service Assistance Program (ITSAP) and federal Lifeline Process for non-Tribal Participants

1. Participants must have established telephone service with an approved ETC and can apply at a local Department of Health and Welfare (DHW) office or at a local Community Action partnership (CAP) office.
2. If participant applies at a local DHW, eligibility is verified by the DHW office and a Notice of Decision (NOD) is submitted to the Community Action Partnership of Idaho (CAPAI) for processing.
3. When CAPAI receives a NOD, the information is entered into the CAPAI database and included in the weekly email reports sent to each ETC for activation.
4. If a participant applies at the local CAP office, the information is entered directly into the CAPAI database and the paper copy of the application is printed and the participant reviews, initials, and signs the required FCC lifeline assurances and application. The signed paper is filed in the participants file and kept at the CAP office along with any eligibility documents.

Tribal Participants apply directly with the ETCs.

Barriers to full FCC Lifeline Compliance

- Limited funding for system automation to allow ETCs access to the CAPAI database or to automatically generate reports that include the certification form.
- Limited funding for additional personnel to implement a manual process.
- It is not cost-effective or efficient for CAPAI to provide a copy of the signed application to the each ETC in Idaho.
- Additional steps would be required for DHW staff.
- CAP agencies would be required to hire an additional half to full-time staff per agency. This person would be responsible for scanning the ITSAP application to the CAPAI office.
- CAPAI would be responsible for collecting, sorting and scanning the collected forms into a file for each ETC. This activity would take an average of 10 hours per week to complete. The most active period is during Low Income Home Energy Assistance Program (LIHEAP) season (October—February). The bulk of all ITSAP/Lifeline applications take place during the winter months when agencies run LIHEAP.

- CAPAI's contract with DHW provides funding for one full-time staff person and does not allow for additional staff.
- Because the system is not automated in Idaho, the increased paperwork would create significant delays throughout peak program seasons.
- Compliance with the FCC rule will increase costs and significantly increase the administrative burden on DHW's limited resource.

Exhibit C

COST ESTIMATE

Additional full-time CAPAI staff (salary & health insurance only*)	\$38, 000
IT costs (Note: The minimal changes made in 2012 = \$12,000)	unknown
CAPs do not receive any state funding to deliver services to Idahoans	
Part-time staff at each CAP office	\$57,000
Additional DHW	unknown

*Does not include overhead costs.

Cost Estimate to Develop and maintain a electronic File Transfer Protocol is unknown. However, it is not unreasonable to estimate that Idaho's cost would be dissimilar to Oregon's projected initial set-up cost of \$24,900 with yearly maintenance cost of \$77,400.

December 2012 ITSAP recipients: approximately 16,000

Sources: CAPAI, PUC Staff